



Rule and Interpretive/Policy Statement Review Checklist
(This form must be filled out electronically.)

This form is to be used when the current version of the rule(s) has/have not previously been reviewed. When reviewing an interpretive or policy statement, this document is to be used only if the review of the statement is not in conjunction with the review of a rule.

All responses should be **bolded**.

Document(s) Reviewed (include title):

WAC 458-16-310 **Community Celebration Facilities**

Date last adopted/issued: **9/20/98**

Reviewer: **Kim M. Qually**

Date review completed: **11/26/02**

Briefly explain the subject matter of the document(s):

WAC 458-16-310 informs taxpayers about the property tax exemption available under the proviso contained in the first subsection of RCW 84.36.037 (Nonprofit organization property connected with operation of public assembly hall or meeting place) for real and personal property owned a nonprofit organization, association, or corporation and primarily used for annual community celebration events. It explains the criteria for receiving a property tax exemption as a community celebration facility, such as: the amount of acreage eligible for exemption; the primary use of the property; the essentially unimproved character of the land; the purpose to which the land must be dedicated; and the summary of activities that took place on the property during the previous year that must accompany each year's renewal certificate.

1. Public requests for review:

| YES | NO | |
|-----|----------|--|
| | X | Is this document being reviewed at this time because of a public (e.g., taxpayer or business association) request? |

2. Need:

| YES | NO | |
|----------|----------|--|
| X | | Is the document necessary to comply with the statutes that authorize it? |
| | X | Is the information provided in the document so obsolete that it is of little value, warranting the repeal or revision of the document? |
| | X | Have the laws changed so that the document should be revised or repealed? |
| X | | Is the document necessary to protect or safeguard the health, welfare, or safety of Washington's citizens? |



Please explain.

WAC 458-16-310 sets forth the requirements to obtain and retain a property tax exemption authorized by the proviso contained in the first subsection of RCW 84.36.037 (Nonprofit organization property connected with operation of public assembly hall or meeting place). Under this proviso property owned by a nonprofit organization, association, or corporation that has been primarily used for annual community celebration events for at least ten years is eligible for exemption under certain conditions set forth in this rule. WAC 458-16-310 was last amended in 1998. The 1997 amendments to RCW 84.36.037, which allow nonprofit organizations, associations, or corporations eligible under this statute to use exempt property for pecuniary gain or to promote business activities for up to seven days a year, were incorporated into the 1998 version of this rule.

3. Related interpretive/policy statements, court decisions, BTA decisions, and WTDs:

Complete Subsection (a) only if reviewing a rule. Subsection (b) should be completed only if the subject of the review is an interpretive or policy statement. Excise Tax Advisories (ETAs), Property Tax Advisories and Bulletins (PTAs/PTBs), and Interim Audit Guidelines (IAGs) are considered interpretive and/or policy statements.

(a)

| YES | NO | |
|-----|----|--|
| | X | Are there any interpretive or policy statements that should be incorporated into this rule? |
| | X | Are there any interpretive or policy statements that should be cancelled because the information is currently included in this or another rule, or the information is incorrect or not needed? |
| | X | Are there any Board of Tax Appeals (BTA) decisions, court decisions, or Attorney General Opinions (AGOs) that provide information that should be incorporated into this rule? |
| | X | Are there any administrative decisions (e.g., Appeals Division decisions (WTDs)) that provide information that should be incorporated into the rule? |

(b)

| YES | NO | |
|-----|----|---|
| | | Should this interpretive or policy statement be incorporated into a rule? |
| | | Are there any Board of Tax Appeals (BTA) decisions, court decisions, or Attorney General Opinions (AGOs) that affect the information now provided in this document? |
| | | Are there any administrative decisions (e.g., Appeals Division decisions (WTDs)) that provide information that should be incorporated into the document? |

The BTA has heard one case regarding community celebration facilities. However, this decision does not contain any information or guidance not contained in the current rule.



4. Clarity and Effectiveness:

| YES | NO | |
|-----|----|--|
| X | | Is the document written and organized in a clear and concise manner? |
| X | | Are citations to other rules, laws, or other authority accurate? |
| X | | Is the document providing the result(s) that it was originally designed to achieve? |
| | X | Do changes in industry practices warrant repealing or revising this document? |
| | X | Do administrative changes within the Department warrant repealing or revising this document? |

Please explain.

The current rule was last amended in 1998. It is clear and informative as written. It provides the information necessary to administer the exemption authorized by RCW 84.36.037 for community celebration facilities.

5. Intent and Statutory Authority:

| YES | NO | |
|-----|----|--|
| X | | Does the Department have sufficient authority to adopt this document? |
| X | | Is the document consistent with the legislative intent of the statute(s) that authorize it? |
| | X | Is there a need to recommend legislative changes to the statute(s) being implemented by this document? |

Please explain.

RCW 84.36.037 is the underlying statute. The rule is consistent with the intent of this statute and reflects its current text.

6. Coordination: Agencies should consult with and coordinate with other governmental entities that have similar regulatory requirements when it is likely that coordination can reduce duplication and inconsistency.

| YES | NO | |
|-----|----|---|
| | X | Could consultation and coordination with other governmental entities and/or state agencies eliminate or reduce duplication and inconsistency? |

Please explain.

Property taxes are levied at the local level only. Local government and other state agencies, as appropriate, are consulted during the rule-making process so the chance of adopting duplicative and/or inconsistent regulations is minimal.

7. Cost: When responding, consider only the costs imposed by the document being reviewed and not by the statute.

| YES | NO | |
|-----|----|--|
| | X | Have the qualitative and quantitative benefits of the document been considered in relation to its costs? |



Please explain.

This is an interpretive rule that imposes no new or additional administrative burdens on businesses that are not imposed by law.

8. Fairness: When responding, consider only the impacts imposed by the document being reviewed and not by the statute.

| YES | NO | |
|-----|----|---|
| X | | Does the document result in equitable treatment of those required to comply with it? |
| | X | Should it be modified to eliminate or minimize any disproportionate impacts on the regulated community? |
| | X | Should the document be strengthened to provide additional protection to correct any disproportionate impact on any particular segment of the regulated community? |

Please explain.

This rule applies equally to all nonprofit organizations, associations, or corporations that are eligible to obtain and retain an exemption on their real and/or personal property used as a community celebration facility. WAC 458-16-310 is written in a clear and concise manner to inform and aid this type of taxpayer about the property tax exemption authorized by RCW 84.36.037. DOR has not been approached about any difficulties or negative impacts of the rule since it was revised in 1998.

9. LISTING OF DOCUMENTS REVIEWED:

Statute(s) Implemented:

RCW 84.36.037 (Nonprofit organization property connected with operation of public assembly hall or meeting place)

Interpretive and/or Policy Statements (e.g., ETAs, PTAs, IAGs): **none**

Court Decisions: **none**

Board of Tax Appeals Decisions (BTAs):

Skagit City Community Club v. DOR, BTA Docket No. 53352 (1999) - whether a public meeting hall, Skagit City School, is eligible for a property tax exemption when, although available, its actual public use was sparse. The evidence shows that a reunion of School attendees is almost always held annually in July. WAC 458-16-310 provides a property tax exemption for community celebration facilities; however, WAC 458-16-310(3)(c) requires that such property be essentially unimproved except for restroom facilities and covered shelters. Based on the evidence, the School likely would not qualify for a property tax exemption as a community celebration facility because of the existing physical improvements on the property.



Appeal Division Decisions (WTDs): **none**

Attorney General Opinions (AGOs): **none**

Other Documents: **none**

10. Review Recommendation:

- _____ **Amend**
- _____ **Repeal/Cancel** (Appropriate when action is not conditioned upon another rule-making action or issuance of an interpretive or policy statement.)
- X** **Leave as is** (Appropriate even if the recommendation is to incorporate the current information into another rule.)
- _____ **Begin the rule-making process for possible revision.** (Applies only when the Department has received a petition to revise a rule.)

Explanation of recommendation: Provide a brief summary of your recommendation. If recommending that the rule be amended, be sure to note whether the basis for the recommendation is to:

- Correct inaccurate tax-reporting information now found in the current rule;
- Incorporate legislation;
- Consolidate information now available in other documents (e.g., ETAs, WTDs, and court decisions); or
- Address issues not otherwise addressed in other documents (e.g., ETAs, WTDs, and court decisions).

The current rule was last adopted in the fall of 1998. It contains current information and directions about how to obtain and retain the property tax exemption authorized by RCW 84.36.037.

11. Manager action: Date: _____

_____ Reviewed and accepted recommendation

Amendment priority:

- _____ 1
_____ 2
_____ 3
_____ 4